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May 8, 1998

Ms. Magalie Roman Salas, Secretary Federal Communications Commission 1919 M Street, N.W., Room 222 Washington, DC 20554

Re: Implementation of the Telecommunications Act of 1996;

Telecommunications Carriers' Use of

Customer Proprietary Network Information and

Other Customer Information CC Docket No. 96-115

Dear Ms. Salas:

Enclosed for filing on behalf of ALLTEL Communications, Inc. please find an original and twelve (12) copies of its Comments in connection with the above-referenced matter.

Please address any questions respecting this matter to the undersigned counsel.

Very truly yours,

Glenn S. Rabin

GSR/ss

Enclosures

cc: (w/encl.)

International Transcription Service, Inc.

Janice M. Myles

No. of Copies rec'd 04(2

## Before the Federal Communications Commission Washington, D.C. 20554

In the Matter of	)	
	)	
	)	
Implementation of the	)	
Telecommunications Act of 1996:	)	CC Docket No. 96-115
	)	
Telecommunications Carriers' Use	)	
of Customer Proprietary Network	)	
Information and Other Customer	)	
Information	)	

## Comments of ALLTEL Communications, Inc.

ALLTEL Communications, Inc.<sup>1</sup> ("ALLTEL") hereby submits its comments in support of the Request for Deferral and Clarification filed on April 24, 1998 in the above-referenced matter by the Cellular Telecommunications Industry Association<sup>2</sup> ("CTIA"). ALLTEL commends the Commission for soliciting comment on the CTIA petition in an expeditious manner. ALLTEL endorses and supports the CITA filing.

<sup>&</sup>lt;sup>1</sup> ALLTEL Communications, Inc. is the subsidiary of ALLTEL Corporation through which CMRS, long distance, and other competitive telecommunications services are provided to subscribers. Other affiliates and subsidiaries of ALLTEL Corporation provide wireline local exchange services in various states.

<sup>&</sup>lt;sup>2</sup> The Commission established the pleading cycle for comment on the CTIA petition as well as a petition and Motion for Stay filed by GTE Service Corporation in <u>Public Notice</u>, DA 98-836 (released May 1, 1998).

As an initial matter, ALLTEL notes that Section 222 of the Communications Act is self-executing and was effective on the date the Telecommunications Act of 1996 became law. No rulemaking was required to implement Section 222; rather, the instant proceeding was initiated in response to the requests for guidance submitted largely by wireline local exchange carriers. Grant of either the motion for deferral of the effective date or the GTE stay request does not therefore undermine the objectives of Section 222 but rather, as noted by CTIA, simply maintains the status quo.<sup>3</sup> In view of the uncertainties<sup>4</sup> and new requirements generated<sup>5</sup> by the new CPNI rules, many of which go well beyond the text of Section 222, preservation of the status quo serves the public interest because it maintains a level playing field for the use of CPNI pending reconsideration and further clarification of the rules. If the competitive CMRS market is to continue to thrive, all carriers must be able to market their services under the same clear and well defined set of rules.

As amply demonstrated by CTIA, the Commission has broad discretion under both the Administrative Procedures Act and its own rules to defer the effective date of

In this connection, ALLTEL notes that the Commission has deferred the effective date of the <u>Second Report and Order</u> as it regards enforcement of the safeguard requirements and is currently considering further enforcement mechanisms. While supporting the position that carriers desperately need adequate time to implement the safeguards should they survive reconsideration, ALLTEL is constrained to note that the separation of the effective date of the new rules from that of the enforcement mechanisms, as a purely practical matter, essentially maintains the status quo.

<sup>&</sup>lt;sup>4</sup> The abundant uncertainty over the scope of the rules is demonstrated by the need for CTIA to request clarification on even the most elemental definitional matter -- whether a simple subscriber list constitutes CPNI. Although ALLTEL believes that a subscriber list of names and addresses does not constitute either CPNI or subscriber list information under the Section 222 definitions, it shares CTIA's request that the rule be clarified.

<sup>&</sup>lt;sup>5</sup> As noted below, the safeguards required by the Commission are new to many CMRS carriers.

the Second Report and Order. The need for deferral is particularly keen in view of the procedural issues raised by CTIA, notably the lack of notice of the prospective promulgation of new Section 64.2005(b)(3) of the rules and the absence of any record supporting the adoption of the new rule. Similarly, in ALLTEL's view, the application of a time-worn doctrine of wireline regulation to a substantial number of wireless carriers for the first time, rises to the level of arbitrary and capricious decision making. Application of the Computer III doctrine separating information services, CPE, and basic services to CMRS services is, as amply and fully argued by CTIA, without any basis in policy or the record. The new rule ultimately harms both the carriers' ability to compete in the marketplace and the subscribers' ability to receive the service packages they desire at a favorable price.

ALLTEL further advocates deferral of the effective date of the Second Report and Order's safeguard requirements for a period of no less than 180 days so that CMRS carriers may have the time required to adequately develop and implement the detailed safeguards the CPNI rules now require. The Commission placed the safeguard requirements on all carriers largely because subscriber privacy concerns apply regardless of the size of the carrier or market share. The Commission, however, acknowledged that its new CPNI scheme would place additional burdens on those carriers who were not previously subject to the Computer III CPNI requirements and

<sup>&</sup>lt;sup>6</sup> Second Report and Order and Further Notice of Proposed Rulemaking in the Matter of Implementation of the Telecommunications Act of 1996: Telecommunications Carriers' use of Customer Proprietary Information and Other Customer Information; FCC 98-27 (released February 26, 1998) (the "Second Report and Order")

<sup>&</sup>lt;sup>7</sup> Second Report and Order at para. 193.

invited small and rural carriers to seek a waiver of the rules where the requirements would be unduly burdensome<sup>8</sup>. ALLTEL is one of a number of such CMRS carriers; it has never been subject to the Computer III CPNI requirements and the safeguard requirements are new to it. The development and implementation of the safeguard systems and the training of personnel will take both time and resources. The eight month deferral period for enforcement of the safeguard requirements is not simply an insufficient amount of time; it is a draconian deadline which augers for haphazard implementation and puts a carrier at risk of non-compliance despite its best efforts. It places a competitive advantage in the hands of those companies with far greater resources and more experience in dealing with CPNI safeguards, which, it should be noted, were instituted to police their greater anticompetitive potential. Deferral of the Second Report and Order's safeguard provisions pending reconsideration would give carriers the needed additional time to comply, should the rules continue to exist or be modified in the wake of reconsideration. The deferral would also conserve the Commission's resources and prevent it from having to rule on waiver requests prior to the expiration of the deferral of the enforcement period.

Second Report and Order at para. 194. In this connection, ALLTEL notes that the relief sought by ALLTEL and CTIA for CMRS carriers should be granted to any telecommunications carrier which had previously not be been subject to the Computer III CPNI requirements, including ALLTEL's affiliated local exchange companies. In this connection, ALLTEL also supports the substance of the GTE petition.

<sup>&</sup>lt;sup>9</sup> In this connection, ALLTEL notes that Section 222, while imposing the obligation on carriers to protect CPNI, nowhere requires the extensive set of safeguards which the Commission has now promulgated.

ALLTEL again commends the Commission for its expeditious consideration of the CTIA and GTE filings and looks forward to contributing to the compilation of a complete record on these issues on reconsideration.

Respectfully submitted,

ALLTEL Communications, Inc.

ALLTEL Corporate Services, Inc. 655 15th Street, N.W. Suite 220 Washington, D.C. 20005

(202) 783-3976

Dated: May 8, 1998

## **CERTIFICATE OF SERVICE**

I, Glenn S. Rabin, do certify that on May 8, 1998 copies of the foregoing

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U.S. Mail, first-class, postage prepaid to the persons on the attached service list.

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